

# Board of Tax Appeals

Analyst: Houston

## Historical Summary

<b>OPERATING BUDGET</b>	<b>FY 2007 Total App</b>	<b>FY 2007 Actual</b>	<b>FY 2008 Approp</b>	<b>FY 2009 Request</b>	<b>FY 2009 Gov Rec</b>
<b>BY FUND CATEGORY</b>					
General	491,100	411,300	444,500	617,800	616,700
Dedicated	12,600	12,400	0	0	0
<b>Total:</b>	<b>503,700</b>	<b>423,700</b>	<b>444,500</b>	<b>617,800</b>	<b>616,700</b>
Percent Change:		(15.9%)	4.9%	39.0%	38.7%
<b>BY OBJECT OF EXPENDITURE</b>					
Personnel Costs	304,100	303,100	364,400	457,800	478,300
Operating Expenditures	191,700	113,600	69,100	160,000	138,400
Capital Outlay	7,900	7,000	11,000	0	0
<b>Total:</b>	<b>503,700</b>	<b>423,700</b>	<b>444,500</b>	<b>617,800</b>	<b>616,700</b>
Full-Time Positions (FTP)	4.25	4.25	5.00	5.75	6.00

## Division Description

The Board of Tax Appeals (section 63-3801, Idaho Code) provides taxpayers the opportunity to appeal their ad valorem assessed valuations from a county board of equalization or tax decisions from the Idaho State Tax Commission. The three member Board of Tax Appeals provides an opportunity for appellants and respondents to present testimony and evidence at a quasi-judicial board hearing rather than through a district court trial which can necessitate legal representation and expense.

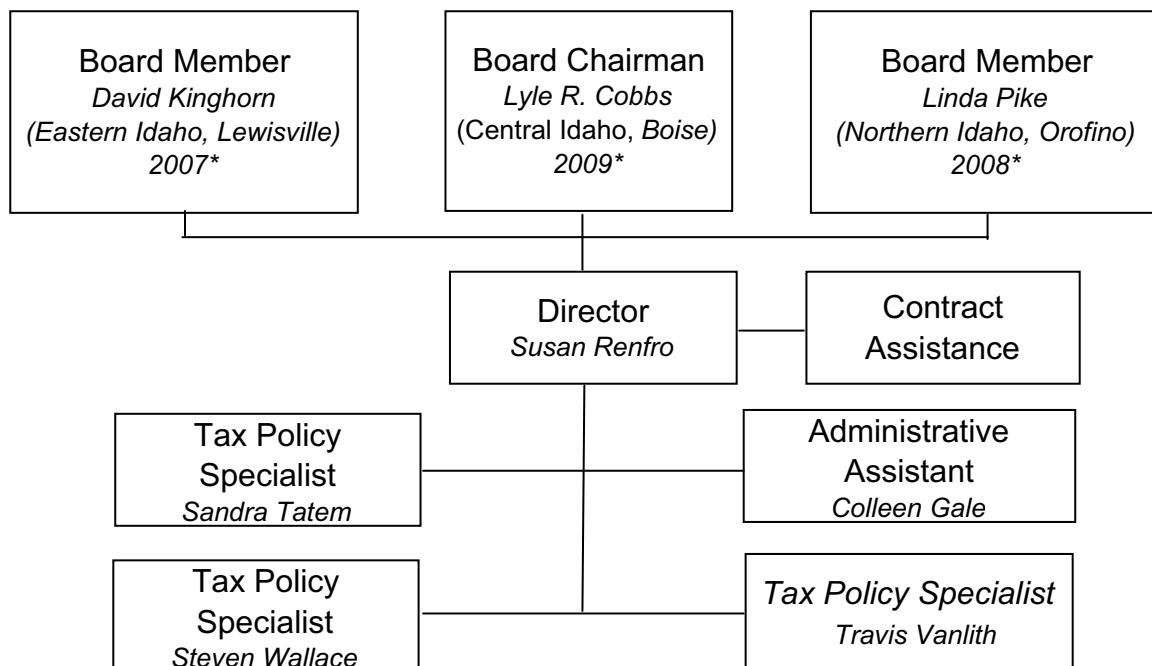
# Board of Tax Appeals Agency Profile

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	FY 2004	FY 2005	FY 2006	FY 2007
<b>Key Services Provided</b>				
1. Number of Tax Appeals Filed	282	275	287	1,142
2. Appeals Settled/Withdrawn/Dismissed	143	131	138	767
3. Decisions Rendered	149	144	149	344
4. Reconsideration Motions Filed	NA	17	6	37
5. Appeals taken to District Court	14	13	9	16

<b>Selected Performance Measures</b>				
6. Hearings held within 90 days of appeal benchmark is 100%	93%	75%	89%	46%
7. Decisions issued within 90 days of hearing benchmark is 100%	29%	20%	17%	16%
8. Tax Com. related decisions within 180 days benchmark is 100%	50%	0%	2%	93%
9. Ad valorem related decisions by May 1 benchmark is 100%	100%	100%	86%	99%

## Organizational Chart



\* 3 yr term expires June 30. Compensation is \$200/day + actual and necessary expenses

# Board of Tax Appeals

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## Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
<b>FY 2008 Original Appropriation</b>	<b>5.00</b>	<b>444,500</b>	<b>444,500</b>	<b>5.00</b>	<b>444,500</b>	<b>444,500</b>
1. Hearing Costs	0.00	150,100	150,100	0.00	143,300	143,300
<b>FY 2008 Total Appropriation</b>	<b>5.00</b>	<b>594,600</b>	<b>594,600</b>	<b>5.00</b>	<b>587,800</b>	<b>587,800</b>
Removal of One-Time Expenditures	0.00	(108,700)	(108,700)	0.00	(108,700)	(108,700)
<b>FY 2009 Base</b>	<b>5.00</b>	<b>485,900</b>	<b>485,900</b>	<b>5.00</b>	<b>479,100</b>	<b>479,100</b>
Benefit Costs	0.00	11,900	11,900	0.00	11,900	11,900
Statewide Cost Allocation	0.00	1,300	1,300	0.00	1,300	1,300
Change in Employee Compensation	0.00	3,100	3,100	0.00	15,500	15,500
<b>FY 2009 Program Maintenance</b>	<b>5.00</b>	<b>502,200</b>	<b>502,200</b>	<b>5.00</b>	<b>507,800</b>	<b>507,800</b>
1. Permanent Part-time Paralegal	0.75	51,600	51,600	1.00	66,500	66,500
2. Copy Machine & Computer Leases	0.00	6,600	6,600	0.00	0	0
3. Contract Decision Writers	0.00	57,400	57,400	0.00	42,400	42,400
<b>FY 2009 Total</b>	<b>5.75</b>	<b>617,800</b>	<b>617,800</b>	<b>6.00</b>	<b>616,700</b>	<b>616,700</b>
Change from Original Appropriation	0.75	173,300	173,300	1.00	172,200	172,200
% Change from Original Appropriation		39.0%	39.0%		38.7%	38.7%

# Board of Tax Appeals

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>FY 2008 Original Appropriation</b>	5.00	444,500	0	0	444,500

## 1. Hearing Costs

## Board of Tax Appeals

The Board of Tax Appeals provides an appeals avenue for those taxpayers who disagree with determinations of the State Tax Commission or the County Boards of Equalization. This request includes \$18,000 for the costs of 90 additional board member days at \$200 each plus \$2,000 for benefits, \$6,800 for permanent position salaries and benefits, and \$26,600 ongoing for travel, meals, and lodging. The request also includes one-time amounts of \$52,400 for 2080 contract decision writer hours @\$25.20 per hour, \$5,000 for office space to house the contract writers, and \$39,300 for 1,560 hours of paralegal assistance. The case load has risen from a typical 300 appeals to 1,142 in FY 2007. Fiscal year 2008 appeals are estimated at 800 and dismissals are running about 11%. [\$53,400 ongoing and \$96,700 one-time]

Analyst Comment: Last year JFAC approved a supplemental request for \$149,000 of which \$19,000 was ongoing. The agency returned about \$80,000. About 67% of the appeals in FY 2007 were settled, dismissed or withdrawn. Staff and temporary paralegals completed the remaining 375 decisions at a lower cost than estimated.

Agency Request	0.00	150,100	0	0	150,100
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*The Governor recommends everything as requested except \$6,800 for permanent positions.*

Governor's Recommendation	0.00	143,300	0	0	143,300
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## FY 2008 Total Appropriation

Agency Request	5.00	594,600	0	0	594,600
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Governor's Recommendation	5.00	587,800	0	0	587,800
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## Removal of One-Time Expenditures

Removes funding provided for one-time items as follow: \$11,000 for replacement computer equipment, \$1,000 for software, and \$96,700 requested in the supplemental for paralegal assistance.

Agency Request	0.00	(108,700)	0	0	(108,700)
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Governor's Recommendation	0.00	(108,700)	0	0	(108,700)
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## FY 2009 Base

Agency Request	5.00	485,900	0	0	485,900
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Governor's Recommendation	5.00	479,100	0	0	479,100
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## Benefit Costs

Includes \$2,075 per position or a 29% increase in employer-paid health insurance premiums (from \$7,125 to \$9,200 per year). Also includes funding to increase the employer retirement contribution rate by .61% of salary (from 10.39% to 11% for regular employees).

Agency Request	0.00	11,900	0	0	11,900
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*The Governor recommends funding the employer increase in health insurance, and does not remove the funding for their PERSI rate increase that was included in the request. Recently, the PERSI Board voted not to increase the contribution rate for the upcoming fiscal year.*

Governor's Recommendation	0.00	11,900	0	0	11,900
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## Statewide Cost Allocation

This decision unit includes adjustments for services provided by state agencies as follow: \$700 for Attorney General fees, \$500 for State Controller fees, and \$100 for State Treasurer fees for a total of \$1,300.

Agency Request	0.00	1,300	0	0	1,300
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Governor's Recommendation	0.00	1,300	0	0	1,300
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## Change in Employee Compensation

Reflects the calculated cost of a 1% salary increase for permanent positions.

Agency Request	0.00	3,100	0	0	3,100
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*The Governor recommends a compensation increase of 5% to be distributed based on merit.*

Governor's Recommendation	0.00	15,500	0	0	15,500
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## FY 2009 Program Maintenance

Agency Request	5.00	502,200	0	0	502,200
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Governor's Recommendation	5.00	507,800	0	0	507,800
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# Board of Tax Appeals

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>1. Permanent Part-time Paralegal</b>					
This request for paralegal assistance includes funding for 1,560 hours at \$22.66 per hour or \$35,400 per year plus benefits of \$16,200 for a total of \$51,600. The increase in case load and complexity of cases filed with the board have required the board to hire part-time help for the last four years. This position will review new appeal filings, prepare legal documents, provide legal research, schedule appeal hearings, and draft legal decisions. [Ongoing]					
Agency Request	0.75	51,600	0	0	51,600
<i>The Governor recommends a permanent full-time paralegal position.</i>					
Governor's Recommendation	1.00	66,500	0	0	66,500
<b>2. Copy Machine &amp; Computer Leases</b>					
The request includes \$3,200 for a copy machine lease and \$3,400 to lease six computers. [Ongoing]					
Agency Request	0.00	6,600	0	0	6,600
<i>Not recommended by the Governor. The Governor expects operating costs to be absorbed into the existing operating budget.</i>					
Governor's Recommendation	0.00	0	0	0	0
<b>3. Contract Decision Writers</b>					
The request is for \$52,400 for 2080 contract decision writer hours at \$25.20 per hour and \$5,000 for office space to house the contract writers. [One-time]					
Agency Request	0.00	57,400	0	0	57,400
<i>The Governor recommends \$37,400 for 1484 contract decision writer hours at \$25.20 per hour and \$5,000 for office space to house the contract writers. [One-time]</i>					
Governor's Recommendation	0.00	42,400	0	0	42,400
<b>FY 2009 Total</b>					
Agency Request	5.75	617,800	0	0	617,800
Governor's Recommendation	6.00	616,700	0	0	616,700
Agency Request					
Change from Original App	0.75	173,300	0	0	173,300
% Change from Original App	15.0%	39.0%			39.0%
<i>Governor's Recommendation</i>					
Change from Original App	1.00	172,200	0	0	172,200
% Change from Original App	20.0%	38.7%			38.7%